Target set for tea exports

1456. DR. ALLADI P. RAJKUMAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the target set for tea exports to earn more foreign exchange; and

(b) the efforts being made to explore new markets especially in West Africa and North America where tea is very popular?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a) Government./Tea Board has fixed a target of 225 mn kgs. for export of tea during 2000-2001.

(b) Continuous efforts are made by Tea Board/Govt. of India to explore new markets. The steps include common awareness programmes in identified countries for speciality Indian teas, participation in trade fairs/exhibitions, media campaigns, analysis of country wise exports and exchange of tea delegations etc. Efforts are also being made in USA and Canada particularly in the speciality and niche sectors of the market for Indian tea. Tea Board has prepared a detailed export strategy for the next five years which also includes exploration of new markets.

Trend in production, export and import of tea

1457. SHRI ANANTA SETHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have a proposal to increase the export of tea;

(b) if so, the quantity of tea exported during last three years;

(c) whether the trend of production, export and import of tea is fluctuating every year;

(d) if so, the reasons therefor;

(e) the steps taken to regulate the production, import and export of tea; and

(f) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH): (a) Yes, Sir. The Government/ Tea Board is committed to increase export of tea from India.

(b) Exports of tea during the years 1997-98, 1998-99 and 1999-2000 were 211.26 mn kg., 205.86 mn kg. and 192.31 mn kg. respectively.

(c) and (d) Yes, Sir. Tea is an agro-based commodity and as such the production level is subjected to vagaries of nature and depend on the agro-climatic condition. Export volume fluctuates due to a number of factors like steep competition by competing countries, market divergence in consumer preference, individual import policies of importing countries and also due to fluctuations in the level of domestic production. Fluctuation in imports is mainly due to fluctuations in domestic demands, production, prices in the domestic market as well as Export orders for value added Teas.

(e) and (f) The Government and Tea Board have taken various steps to increase production and export of tea. These steps include implementation of various developmental schemes under which financial assistance is provided by the Tea Board for encouraging extension planting, re-planting, rejuvenation pruning, infilling, creation of irrigation facilities and drainage etc.

With a view to increase export of tea, the Government/Tea Board have taken steps to increase production of orthodox tea, discussion with Russian importers to operate expeditiously lifting of tea from India under Debt Repayment Route Protocol and under the agreement for lifting 100 mn. kgs. of tea per year as signed by the Tea Board and Russian counterpart in December, 1998. Teas Board/ Government has been analysing country-wise export of tea giving special attention to areas offering potential. Tea Board also acts to remove bottlenecks in exports to individual markets whenever these are noticed. Other steps taken to increase exports of India tea include (i) participation in major trade fairs/ exhibitions abroad; (ii) field sampling at speciality stores and in principal markets; (iii) media campaign to increase consumer awareness of speciality Indian teas and to popularise Tea Board's marketing symbol; (iv) exchange of tea delegations etc.

Steps taken to regulate imports include allowing duty free import of tea under Duty Exemption Scheme and EOU/EPZ Scheme for re-exports after blending, removing quantitative restrictions on import of tea from SAARC countries w.e.f. 1.8.1998, Free Trade Agreement with Sri Lanka for import of 15 mn. kgs. of tea at concessional import duty, raising import duty on tea from 15% to 35% etc.